

No. 14,617

IN THE

United States Court of Appeals
For the Ninth Circuit

UP-RIGHT, INC., a corporation, and
WALLACE J. S. JOHNSON,
Appellants,

vs.

THE PATENT SCAFFOLDING Co., Inc.,
a corporation,
Appellee.

REPLY BRIEF ON BEHALF OF APPELLANTS,
UP-RIGHT, INC. AND WALLACE J. S. JOHNSON.

Appeal from the United States District Court for the
Northern District of California,
Southern Division.

MELLIN, HANSCOM & HURSH,
OSCAR A. MELLIN,
LEROY HANSCOM,
JACK E. HURSH,

391 Sutter Street, San Francisco 8, California.

Attorneys for Appellants.

FILED

AUG - 8 1955

PAUL P. O'BRIEN, CLERK

Subject Index

	Page
Preliminary	1
Appellants have complied with Rule 19(6) of this court.....	4
As to appellee's argument that the patented device lacks patentable invention	4
Rebuttal as to assertions in appellee's brief.....	9
Conclusion	10

Table of Authorities Cited

Cases	Page
Patterson-Ballagh Corp., et al. v. Moss, et al., 201 Fed. 2d 403	5

Statutes	
Patent Act of 1952.....	10

Rules	
Rules on Appeal, Rule 19(6).....	4

No. 14,617

IN THE
United States Court of Appeals
For the Ninth Circuit

UP-RIGHT, INC., a corporation, and
WALLACE J. S. JOHNSON,
Appellants,

vs.

THE PATENT SCAFFOLDING Co., INC.,
a corporation,
Appellee.

Appeal from the United States District Court for the
Northern District of California,
Southern Division.

REPLY BRIEF ON BEHALF OF APPELLANTS,
UP-RIGHT, INC. AND WALLACE J. S. JOHNSON.

PRELIMINARY

On page 2 of appellee's brief appears the following statement:

“* * * The original complaint was filed in December, 1952, long after defendant's first sale of its device, later charged to infringe, without any prior notice to defendant of any kind—plaintiffs' devices being unmarked as to patent pending, or with the patent notice.”

Lest an inaccurate impression be created by that statement, we point to the record facts.

Prior to June 1946, Johnson (appellant), jointly with another, invented a collapsible scaffolding unit (Patent No. 2,438,173, R. 268), which did not have an adjustable leg. Such an element, as an adjustable leg, was necessary to make the scaffolding unit practical and that problem faced Johnson (R. 36). He made an extensive investigation (R. 36) attempting to locate a movable, adjustable leg for such purpose, without success. He thereafter solved the problem by the invention of the patent in suit and appellant commenced manufacturing the scaffold embodying the invention in February 1947 (R. 31) and it was widely successful.

The application for the patent in suit was filed September 15, 1947. From the very beginning, appellants' scaffolds were sold over the entire United States and advertised in nationally distributed trade journals (R. 61), an example of such advertisements being in the record at p. 273. Contrary to appellee's above statement, appellants did give notice of "Patents Pending" as is evident from the advertisement (R. 276).

Appellee abandoned its type of scaffold leg and adopted a "Chinese copy" of the appellants' scaffold leg after appellants' scaffold was a complete success and opened a new phase of scaffolding in that industry (about 1950—see R. 182) and, after competitive demonstrations between appellants' type (embodying the patented invention) and appellee's older type (R. 67). *This is undisputed by appellee.* In fact, appellee attempts to excuse the copying

by saying customers demanded it (R. 182-183). In Mr. Meng's (President of appellee) words:

"Q. When did you first and under what circumstances put this type of leg on a Patented Scaffolding Company device?

A. I would say it would be early in 1950, or about the middle of the year.

Q. Under what circumstances?

A. The reason we put that on is because of the fact that certain government bids were coming through specifying a leg of this type with a quick sleeve action, so that in order to be able to bid on those requirements for the government we had to provide that type of leg, otherwise the bid would not be considered."

Thus appellee copied the patented device nearly two years before the patent issued, during which time, of course, appellants had no cause of action. Immediately when the patent in suit issued, suit was filed. (Patent issued November 18, 1952; suit was filed December 12, 1952.) Appellee seems to complain that no "notice" was given it of the issuance of the patent. (Notice is not a prerequisite to suit except a suit at law for damages only.) Subsequent events demonstrate that a "notice" would have been fruitless in stopping the infringement because the commencement of an infringement suit failed to have such an effect.

**APPELLANTS HAVE COMPLIED WITH RULE 19(6)
OF THIS COURT.**

Appellee asserts that the appellants have failed to comply with Rule 19(6) of this Court. While appellee's exact ground for its assertion is not clear to us, we believe that appellants have complied with such rule as completely as is possible in a patent suit. The Trial Court held as a matter of law that the patent was invalid, and this was assigned as error in the points on appeal.

The usual designation of the parts of the record appellants believed necessary for consideration of the points on appeal was filed (R. 26) and brought to this Court.

The specification of errors was set out in the brief as required to detail the error of the District Court in concluding as a matter of law that the patent is invalid. Certainly, there was concisely and clearly presented the legal question of the validity of the patent in suit to this Court to review.

We do not believe that the cases cited by appellee in support of its proposition are in point.

**AS TO APPELLEE'S ARGUMENT THAT THE PATENTED
DEVICE LACKS PATENTABLE INVENTION.**

The appellee's arguments to the effect that the patented device lacks patentable invention may be divided as follows:

(A) (Pages 5-6 and top of page 7 of appellee's brief).

That each separate mechanical element of the patented device is old and can be separately found in:

- (a) A scaffold leg (Uecker patent);
- (b) A tire valve (Michelin patent);
- (c) A table leg (Athans patent);
- (d) An automobile jack (Countryman patent);
- (e) A caliper (Stevens patent);
- (f) An oil well tool (Mapes patent);
- (g) A carpenter's clamp (Taylor patent); and
- (h) Gun wipers (Birch patent)

despite the fact that none of these devices has the functions of the patented device nor produces its results.

It seems clear that if a new entity has new functions and produces new results, then it must follow that the components of that entity have new or additional functions than they performed in a different entity having different functions and producing different results.

All mechanical elements are old and operate in accordance with a single mechanical principle. Therefore, if all that is needed to find lack of invention in a mechanical device is to find its individual parts to be old without regard to the functioning of the total parts, then no mechanical device could be said to be an invention.

We emphasize that this hindsight reasoning is the basis of the trial Court's conclusion of lack of invention. *The trial Court did not find the device to lack novelty.*

This Court in *Patterson-Ballagh Corp., et al. v. Moss, et al.*, 201 Fed. 2d 403, rejected such reasoning, stating:

“It is quite apparent that simplicity alone will not preclude invention. Hindsight tends to color the seeming obviousness of that which in fact is true contribu-

tion to prior art. 'Knowledge after the event is always easy, and problems once solved present no difficulties, indeed, may be represented as never having had any, and expert witnesses may be brought forward to show that the new thing which seemed to have eluded the search of the world was always ready at hand and easy to be seen by a merely skilful attention.' *Diamond Rubber Co. v. Consolidated Rubber Tire Co.*, 1911, 220 U.S. 428, 435, 31 S. Ct. 444, 447, 55 L. Ed. 527."

(B) (Page 7, second paragraph, to page 8, second paragraph of appellee's brief).

That the entire combination of the patented device is found in the Hinckley patent (R. 328). The Trial Court did not so find nor did appellee's expert witness. In fact, the latter testified that in his opinion the Countryman patent was the closest to the patented device (R. 170-171).

"Q. By the way, Mr. White, of all of these patents that you have brought before us and explained to the jury, which one in particular do you think is most likely the device of the (194) patent in suit in construction and in mode of operation?

A. So far as structure is concerned, the Michelin patent shows all the elements of the clutch mechanism; and so far as operation as a leg is concerned on the general aspects, as I stated before, the Athans patent shows the general adjustment with a different clutch mechanism. Countryman on the jack shows every element of the combination."

However, appellee's expert had to admit that Countryman did not have the functions and could not produce the results of the patented device (R. 168).

“Q. Isn’t it a fact that in the patent to make the fine adjustment they have a gear and a separate nut at a point below which you jacked in the usual fashion to make the fine adjustment?

A. That is true. But may I add at this time, in order that there is no misunderstanding in the mind of the jury, that fine adjustment was not for the relative movement between the screw and the sleeve.

Q. As a matter of fact, that Countryman patent likewise made (191) no provision for preventing the screw from being screwed out of the nut or those pawls, did it?

A. No.

Q. And it made no provision to stop the wobble of the leg if it were used in a scaffold? I didn’t mean to foreclose you from looking at that view, Mr. White.

A. I have the patent here. No provision; if it wanted to wobble, it could wobble.

Q. That is correct. * * *

Realizing that Countryman fell far short of showing lack of invention in the patented device, appellee has abandoned it here and substituted Hinckley (a patent covering a temper screw used in drilling wells) as the best prior art showing. Appellee’s argument that Hinckley has all the elements of the patented device and shows lack of invention therein with the requisite clearness emphasizes the complete fallacious hindsight reasoning of appellee and the Trial Court.

In the first place, Hinckley discloses a nonanalogous device

(a) completely and inherently unable to perform the functions of the patented device,

(b) not intended to perform the functions of the patented device but completely different functions,

(c) completely different in construction, and

(d) used in a non-analogous art.

Appellee's own expert witness made this appraisal of the Hinckley patent as prior art (R. 170):

“Q. Would you say that the device of the Hinckley patent had the same mode of operation and produced the same results as the device in the patent in suit?

A. So far as the clutch is concerned, yes.

Q. Just that one part?

A. That is right.”

Clearly, the above evidence is completely insufficient to sustain the burden of proving lack of invention by clear and convincing evidence.

By appellee's own appraisal, the Hinckley patent is the best prior art reference showing lack of invention in the patent in suit. We urge that the Trial Court erred in striking down a patent on a meritorious device on evidence so lacking in sufficiency.

(C) (Page 9, last paragraph, 10, and 11 of appellee's brief).

The argument that the language of the patented claim does not set forth any patentable combination is based upon the same reasoning as the argument that the patented device lacks invention, to-wit: each mechanical element of the patented device can be separately found—some in analogous and some in non-analogous prior devices. We have previously answered this contention herein and have set out the facts and law in our opening brief.

REBUTTAL AS TO ASSERTIONS IN APPELLEE'S BRIEF.

On page 16 of appellee's brief, there is made this statement:

"* * * Neither is there evidence to support such statements in the Brief as 'new conception' (p. 3), 'customers demanded it' (pp. 3, 9), 'an innovation' (p. 5), 'long standing void' (p. 8), 'immediate success' (pp. 8, 10), 'new abilities' (pp. 5, 43)."

As to "new conception", the entire record, including the prior art, discloses that there was no prior scaffolding suitable for the use to which the scaffolding (both appellants' and appellee's) using the patented leg was put. This is manifestly clear from Mr. Johnson's testimony and the lack of any contrary evidence offered by appellee.

As to "customers demanded it", this is based on the testimony of Mr. Meng, the President of appellee, who testified at R. 183 that *government bids specified legs like the patented ones* "so that in order to be able to bid on those requirements for the government *we had to provide that type of leg, otherwise the bid would not be considered*". (Italics ours.)

As to "an innovation" and "long standing void", we believe these to be reasonable inferences from the evidence which showed no prior scaffold for the purpose. The immediate large sales and use of the patented leg type (by appellants and appellee) once the patented device came to market establish that it filled a "long standing void".

As to "immediate success", we believe this also to be clearly evident from the entire record which shows that (a) an invention is made, (b) a new company formed by the in-

ventor not previously in a manufacturing business, and (c) a sales volume of large proportions (R. 101).

As to “new abilities”, we point out the complete lack of any showing of prior art devices having comparable abilities and to the inference which may be drawn from the fact that appellee precisely copied the patented device in order to have a scaffold having abilities comparable to the one using the patented device.

CONCLUSION.

We urge that it is not necessary to produce history-making inventions such as produced by Morse or Bell in order to be awarded the privilege of a valid patent. The record of this Court is replete with instances where meritorious improvement patents were sustained as embodying invention. In this light we call the Court’s attention to a recent decision by Judge Learned Hand in the case of an improvement patent in which the patent was sustained: 106 USPQ 1 (we do not as yet have the Federal Reporter System citation). In that case Judge Hand commented on the effect of the Patent Act of 1952 as follows:

“Therefore we at length come to the question whether Lyon’s contribution, his added step, was enough to support a patent. It certainly would have done so twenty or thirty years ago; indeed it conforms to the accepted standards of that time. The most competent workers in the field had for at least ten years been seeking a hardy, tenacious coating to prevent reflection; there had been a number of attempts, none satisfactory; meanwhile nothing in the

implementary arts had been lacking to put the advance into operation; when it appeared, it supplanted the existing practice and occupied substantially the whole field. We do not see how any combination of evidence could more completely demonstrate that, simple as it was, the change had not been ‘obvious * * * to a person having ordinary skill in the art’—§103. On the other hand it must be owned that, had the case come up for decision within twenty, or perhaps, twenty-five, years before the Act of 1952 went into effect on January 1, 1953, it is almost certain that the claims would have been held invalid. The Courts of Appeal have very generally found in the recent opinions of the Supreme Court a disposition to insist upon a stricter test of invention than it used to apply—indefinite it is true, but indubitably stricter than that defined in §104. Indeed, some of the justices themselves have taken the same view. The Act describes itself as a codification of existing law, as it certainly is in the sense that the structure of the system remains unchanged. Moreover those decisions that have passed upon it have uniformly referred to it as a codification, although so far as we have found none of them has held that §103 did not change the standard of invention. And so the question arises whether we should construe §103 as restoring the law to what it was when the Court announced the definition of invention, now expressly embodied in §103, or whether we should assume that no change whatever was intended. To decide that question it seems desirable to look briefly backward.

“From 1793, when the second patent act was passed, until the Act of 1952, the only statutory standard for invention was that the discovery should be ‘new and useful’; and indeed the Act of 1952 itself repeats this

same test in §101. Congress did not try to define it but left it to the courts to develop by precedent. So far as we can find, it was not until 1850 that the Supreme Court made any such attempt; so that, although the disclosure must be 'new,' it was so, provided it had not been published or in public use and was original. However, in *Hotchkiss v. Greenwood*, 11How. 248, the Court imposed an authoritative gloss upon the word, which it put in the following words (p. 267): 'unless more ingenuity and skill in applying the old method' were necessary 'than were possessed by an ordinary mechanic acquainted with the business, there was an absence of that degree of skill and ingenuity which constitute essential elements of every invention. In order (other) words, the improvement is the work of a skillful mechanic, not that of the inventor.' The instruction to the jury, the exception to which the court overruled, had been in substantially the same words, p. 253: if 'no other ingenuity or skill' be 'necessary to construct the knob than that of an ordinary mechanic acquainted with the business, the patent is void.' Thereafter this became the standard rubric and was applied in many cases. The variants were numberless; and 'invention' became perhaps the most baffling concept in the whole catalogue of judicial efforts to provide postulates for indefinitely varying occasions. However, the Court never formally abjured it; not (nor) has it ever substituted any other definite test. Even *Cuno Engineering Corp. v. Automatic Devices Corporation*, 314 U.S. 84, 51 USPQ 272,—which in expression probably was the furthest departure—recognized the continued authority of *Hotchkiss v. Greenwood*, supra: (p. 90, 51 USPQ at 275) 'if an improvement is to obtain the privileged position of a patent more ingenuity must be involved than the work of a mechanic skilled in the art.' Again,

p. 91, 51 USPQ at 275: 'The principle of the Hotchkiss case applies to the adaptation or combination of old or well known devices for new uses.' ''

We urge that in the case at bar the evidence is convincing that more ingenuity was involved in the production of the patented device than the work of a mechanic skilled in the art. Thus the invention of the patent in suit is of the order required by the present standards of patentable invention.

We urge that the District Court erred in concluding the patent in suit to be invalid and should be reversed.

Dated, San Francisco, California,

August 8, 1955.

Respectfully submitted,

MELLIN, HANSCOM & HURSH,

OSCAR A. MELLIN,

LEROY HANSCOM,

JACK E. HURSH,

Attorneys for Appellants.

